LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m., on TUESDAY, MARCH 30, 2004, upon the application of GREYSTONE PETROLEUM, L.L.C. At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Lower Cotton Valley Formation, Reservoir A, the Cotton Valley "D" Zone and the Hosston (Travis Peak) Formation, in the Sligo Field, Bossier Parish, Louisiana.

- 1. To permit applicant to drill, designate and utilize two (2) additional alternate unit wells for CV D SUN and LCV RA SUA and a unit well for CV D SUX and LCV RA SUF, at the locations shown on the plats submitted with the application.
- 2. To approve exceptions to the well location provisions of Office of Conservation Order No. 8-B, effective September 1, 1956 (applicable to the Cotton Valley "D" Zone) and Office of Conservation Order No. 8-K, effective October 16, 1990 (applicable to the Lower Cotton Valley Formation, Reservoir A), for any of the proposed wells the location of which is not in compliance with the provisions of such Orders.
- 3. To find that drilling, designation and use of each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the Cotton Valley "D" Zone and the Lower Cotton Valley Formation, Reservoir A, underlying the units on which such wells are proposed to be drilled which cannot be efficiently and economically drained by any existing well within these units.
- 4. To permit the operator of CV D SUN and LCV RA SUA to produce the allowables assigned to these units from either the substitute unit well, any alternate unit well, or from any combination of such wells, at the option of the operator.
- 5. To designate applicant as operator of CV D SUX and LCV RA SUF.
- 6. To approve the downhole combination of production from the Hosston (Travis Peak) Formation, the Cotton Valley "D" Zone and the Lower Cotton Valley Formation, Reservoir A, or any combination thereof, in the wellbore of any existing or subsequently drilled well located on the identical units designated HOSS TP SUO, CV D SUX and LCV RA SUF, each of said units comprising the entirety of Section 24, Township 17 North, Range 12 West.
- 7. To consider such other matters as may be pertinent.

The Lower Cotton Valley Formation, Reservoir A, in the Sligo Field, Bossier Parish, Louisiana, was defined in Office of Conservation Order No. 8-K, effective October 16, 1990.

The Cotton Valley "D" Zone and the Hosston (Travis Peak) Formation, in the Sligo Field, Bossier Parish, Louisiana, were defined in Office of Conservation Order No. 8-B, effective September 1, 1956.

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SLIGO FIELD 04-309 thru 04-313

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 2/27/04;3/3/04 S dpe

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION - ENGINEERING DIVISION AT P. O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.